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SEP 25 2002

September 25, 2002

VIA HAND DELIVERY

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02-357

ATTN: Ms. Susan O'Connell, Esq.
Policy Division

Re: Startec Global Communications Corporation et al., and Allied Capital Corporation — Application To Assign, and To Transfer Control of Entities Holding, International Section 214 Authorizations, Interests in Cable Landing Licenses, and Domestic Section 214 Authority Pursuant to Debtors' Joint Plan of Reorganization, As Amended

Dear Ms. O'Connell:

On behalf of Startec Global Communications Corporation, debtor-in-possession ("Startec"), and Allied Capital Corporation ("Allied"), enclosed for filing are an original and five (5) copies of the above-referenced application.

Also enclosed are: (1) an FCC Form 159; and (2) a check in the amount of \$1,720.00 to cover the required processing fees for the international and domestic approvals requested in this joint application. Should you have any questions regarding Startec or its subsidiaries, please contact the undersigned at (202) 663-6269; for information concerning Allied, please contact Jason Eig, Esq., of Dickstein Shapiro Morin & Oshinsky LLP at (202) 833-5008.

Respectfully,

William R. Nifong

William R. Nifong

Enclosures

Before the
FEDERAL COMMUNICATIONS COMMISSION
 Washington, DC 20554

In the Matter of)

STARTEC GLOBAL COMMUNICATIONS
 CORPORATION, STARTEC GLOBAL
 OPERATING *COMPANY*, AND STARTEC
 GLOBAL LICENSING COMPANY,
 DEBTORS-IN-POSSESSION)

Assignors / Transferors,)

STARTEC GLOBAL OPERATING
 COMPANY AND STARTEC
 GLOBAL LICENSING COMPANY,
 REORGANIZED DEBTORS)

Assignees,)

and)

ALLIED CAPITAL CORPORATION.)

Transferee,)

Application for Consent to Assignment and
 Transfer of Control)

File No. _____

357

**APPLICATION TO ASSIGN, AND TO TRANSFER CONTROL OF ENTITIES
 HOLDING, INTERNATIONAL SECTION 214 AUTHORIZATIONS, INTERESTS IN
 CABLE LANDING LICENSES, AND DOMESTIC SECTION 214 AUTHORITY
 PURSUANT TO DEBTORS' JOINT PLAN OF REORGANIZATION, AS AMENDED**

Pursuant to section 214 of the Communications Act of 1934, as amended, 47 U.S.C.

§ 214, the Cable Landing License Act, 47 U.S.C. §§ 34-39, and sections 1.767, 63.04, and
 63.18(e)(3), of the Commission's rules, 47 C.F.R. §§ 1.767, 63.04, and 63.18(e)(3), Startec

Global Communications Corporation ("Startec") and its wholly owned subsidiaries Startec Global Operating Company ("Startec ~~Operating~~") and ~~Startec~~ Global Licensing Company ("Startec Licensing"), debtors-in-possession, hereby request the Commission's consent to ~~assign~~ the international section 214 authorizations, minority interests in cable landing licenses, and domestic section 214 authorizations held by Startec and its subsidiaries to themselves as reorganized debtors, in accordance with Debtors' Joint Plan of Reorganization, ~~as amended~~ ("the Plan") (as described below). In addition, pursuant to the terms of the ~~Plan~~, Startec and Allied Capita) Corporation ("Allied") ~~q u e s t~~ the Commission's approval of the transfer of control to Allied ~~of the~~ reorganized Startec and its reorganized subsidiaries, together with the international section **214** authorizations, minority interests in cable landing licenses, and domestic section **214** authorizations enumerated below and in Attachment A to this application.'

THE APPLICANTS

Through its subsidiaries Startec Operating and Startec Licensing, Stanec is a facilities-based provider of domestic and international long distance services that makes particular efforts to meet the needs of select ethnic businesses and residential communities located in major metropolitan areas — for example, through in-language customer service and long distance plans targeting foreign and emerging markets closely connected to these ethnic communities. Most of Startec's traffic is carried over an Internet Protocol ("IP") network, which allows it to integrate provision of voice, data, and Internet **access** services. Startec **also** offers wholesale Voice over IP ("VoIP") services to other international long distance ~~carriers and Internet~~ service providers.

¹ As required by section 63.04(b) of the Commission's rules, 47 C.F.R. § 63.04, the applicants provide the information required for transfer of control ~~of~~ Startec Licensing's domestic section **214** authority in an attachment. **See** Attachment A.

A publicly owned corporation. Allied provides private investment capital (in the form of both debt and equity securities) to private and undervalued public companies.

PROCEDURAL BACKGROUND

On December **14,2001**, Startec and its wholly owned subsidiaries Startec Operating and Startec Licensing filed for bankruptcy under Chapter 11 of Title 11 of the U.S. Code in the U.S. Bankruptcy Court for the District of Maryland (Greenbelt Division).² Startec, Startec Operating, and Startec Licensing each continue in possession of their property and management of their businesses as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

On behalf of itself and its subsidiaries, Startec notified the Commission by letter on July **12,2002**, of the *pro forma* assignment of the international section **214** authorizations held by Startec Operating (see section (d) below) to Startec Operating as debtor-in-possession, as well as the *pro forma* transfer of control of Startec Operating and its authorizations to Startec as debtor-in-possession? On July **15,2002**, Startec filed an application for the *pro forma* assignment of its minority interests in two cable landing licenses to itself as debtor-in-possession.' Then, on August **1,2002**, Startec also notified the Commission of the *pro forma* assignment of the domestic section 214 authority held by Startec Licensing to Startec Licensing as debtor-in-possession, as well as the resulting *pro forma* transfer of control of Startec Licensing and its

² *In re Startec Global Communications Corp., et al.*, jointly administered under Case NO. 01-25013 (DK).

³ Startec filed a similar letter on July **12, 2002**, with respect to the *pro forma* transfer of control of the international section **214** authorizations held by another wholly owned Startec subsidiary, PCI Communications, Inc. ("PCI").

⁴ Startec notes that this application was still pending as of the filing of the present application.

domestic section **214** authority to **Startec** as debtor-in-possession. The present application is one of two applications being filed pursuant to the **Plan**.¹

DESCRIPTION OF THE PROPOSED TRANSACTION

Under the terms of the **Plan**² filed with the Bankruptcy Court on September **11, 2002**, and subject to Bankruptcy Court approval, **Startec**, **Startec** Operating, and **Startec** Licensing will be reorganized and reincorporated as new Delaware corporations, with the reorganized **Startec** Operating and **Startec** Licensing continuing to be wholly owned subsidiaries of **Startec**. Among the ~~three~~ reorganized debtors, **Startec** Operating and **Startec** Licensing together will hold all of the entities' assets. **Startec** Operating will provide the international services and will hold the authorizations and licenses necessary for the provision thereof; similarly, **Startec** Licensing will provide all intrastate and interstate domestic services and will hold the licenses and authorizations required for those services.

Under the Plan, the reorganized **Startec** will have 50 million authorized shares of new common stock. Upon consummation, unless the general unsecured creditors and holders of pre-petition notes do not vote in favor of the Plan, 28 million shares of common stock will be issued as follows: 90% of the shares to Allied, **2.5%** to NTFC Capital Corporation ("NTFC"), and the remaining **7.5%** to be shared by unsecured creditors and holders of pre-petition notes.³ Under the Plan, warrants and options will also be issued that, if exercised, would dilute Allied's share

¹ A second application is being filed with respect to the transfer of control to Allied of **Startec**'s wholly owned subsidiary PCI Communications, Inc., together with its domestic and international section **214** authorizations and its minority interests in cable landing licenses.

² A copy of the Plan is attached hereto. The Plan must be voted on and approved by the creditors of **Startec**, **Startec** Operating, and **Startec** Licensing.

³ If the general unsecured creditors and the holders of pre-petition notes do not vote in favor of the plan, all or a part of the 7.5% originally allocated to them will be shared, instead, by

of common stock to 72%, and increase NTFC's to 7%.[§] The warrant will be issued to **NTFC**, and the options will be issued to eligible employees

In addition, Allied will receive 100% of the 6,300 shares of voting new preferred stock in the reorganized **Startec**. These shares will vote together with the new common stock as a class, with each share having one vote. The new preferred stock will **also** have the right to vote separately on certain corporate actions, including the creation of new classes of preferred stock or changes in the preferred stock's **rights**, mergers or consolidations, the sale of all or substantially all of Startec's assets, and liquidation or dissolution.

PUBLIC INTEREST STATEMENT

The assignments and transfers of control pursuant to the Plan will provide Startec, **Startec** Operating, and Startec Licensing with the best opportunity to continue providing domestic and international services to customers in the **United** States. Facilitating service to ethnic and linguistic communities, and connecting them with developing economies throughout the world via domestic and international long distance, Internet access, **and data** services, **Startec** and its subsidiaries play a vital role in an important niche market. For these reasons, the applicants respectfully submit that approval of this application is consistent with the public interest, convenience, and necessity, **as** required by section 63.18 of the Commission's rules, 47 **C.F.R.** § 63.18. Approval of the application would also comport with the Commission's **goal** of "accommodat[ing] the policies of federal bankruptcy law with those of the Communications

Allied and **NTFC**. **Thus**, under either alternative, Allied will hold at least a 90% controlling interest in the reorganized Startec.

[§] The actual ownership percentages could vary slightly under the **terms** of the Plan, depending on the results of the creditors' vote, the exercise of options, etc. However, these variations should have no material effect on the substantial controlling interest Allied will hold in a reorganized Startec.

Act.'" The applicants further demonstrate below that the application qualifies for streamlined treatment and q u e s t that the Commission act **as** expeditiously **as** possible in reviewing and approving the requested assignments and transfers of control in order to promote these **goals** and **those** of the bankruptcy proceeding.

ASSIGNMENTS AND TRANSFER OF CONTROL INFORMATION REOUERED BY SECTION 63.18

As noted above, Startec and Startec Operating request that the Commission approve the assignment of all international section **214** authorizations and minority interests in cable landing licenses currently held by Startec and ~~Startec Operating~~ **as** debtors-in-possession to the reorganized Startec Operating, **as** contemplated under the **Plan**.¹⁰ In addition, Startec and Allied request Commission approval of the transfer of control to Allied of both **the** reorganized **Startec** and Startec Operating.

Pursuant to **sections** 1.767 and 63.08 of the Commission's rules, **47 C.F.R. §§ 1.767. 63.08**, the applicants submit the following information:

- (a) The name, address, and telephone number of the assignors/transfersors **are**:

Startec Global Communications Corporation
1151 Seven **Locks** Rd.
Potomac, MD 20854
Attn: Jeffrey L. Poersch, Esq.
(Tel.) (301)6104667

⁹ *LaRose v. FCC*, 494 F.2d 1145, 1146(D.C. Cir. 1974).

¹⁰ Since all of the international services provided by the **reorganized** entities in the **United** States **are** to be provided by Startec Operating, Startec requests that the Commission also approve the assignment of its minority interests in cable landing licenses to the reorganized Startec Operating (including the companion international section **214** authorization to operate **the** cable, where applicable). The ultimate ownership and control of **Startec** Operating and its minority interests in the cable landing licenses will be identical.

Startec Global Operating Company
1151 Seven Locks Rd.
Potomac, MD 20854
Attn: Jeffrey L. Poersch, Esq.
(Tel.) (301) 610-4667

The name, address, and telephone number of the transferee are:

Allied Capital Corporation
1919 Pennsylvania Ave., NW
Third Floor
Washington, DC 20005-3434
Attn: Mr. Scott Binder
(Tel.) (202) 331-1112

- (b) The reorganized *Startec* and *Startec Operating* will be Delaware corporations headquartered in Potomac, Maryland.

Allied is a Maryland corporation headquartered in Washington, DC.

- (c) Correspondence concerning this application should be sent to:

for Startec and Startec Operating:
Jeffrey L. Poersch, Esq.
Startec Global Communications Corporation
1151 Seven Locks Rd.
Potomac, MD 20854
(Tel.) (301) 610-4667

with a copy to:

William R. Nifong
Wilmer, Cutler & Pickering
2445 M St., NW
Washington, DC 20005
Tel. (202) 663-6269

For Allied:
Allied Capital Corporation
1919 Pennsylvania Ave., NW
Third Floor
Washington, DC 20005-3434
Attn: Mr. Scott Binder
Fax No.: (202) 659-2053

with a copy to:

Dickstein Shapiro Morin & Oshinsky LLP
 2102 L St., NW
 Washington, DC 20037
 Attn: David Parker, Esq.
 Fax No.: (202) 887-0689

(d) Startec (Assignor/Transferor):

- i SCL-98-005 I ITC-98437 — Startec received **authority** to acquire a minority ownership in facilities on the COLUMBUS-III Cable System, as well as international section **214** authority to use its cable facilities on a common carrier basis.
- ii. SCL-LIC-19990303-00004 — Startec received authority to acquire a minority ownership in facilities on the TAT-14 Cable System.

Descriptions of each of the cable systems and the cable landing stations are provided in the underlying license **applications**.¹¹

Startec Operating (Assignor/Assignee):

ITC-89-099 and ITC-97-379 — Startec Operating holds international section **214** authorizations to provide facilities-based and resale services between the United States and all international points (except for those listed on the Commission's Exclusion List).¹²

¹¹ See File Nos. ITC-98-437 (COLUMBUS-III); SCL-LIC-19990303-00004 (TAT-14).

¹² See 4 FCC Rcd 6953 (1989) and 12 FCC Rcd 13325 (1997). These authorizations were each originally issued to "Startec, Inc." The Commission later approved a name change on both of the authorizations to "Startec Global Communications Corporation" (herein, simply "Startec"). See 13 FCC Rcd 5944 (1997). By letter of June 14, 1999, Startec notified the Commission of the *pro forma* assignment of these international section 214 authorizations to its wholly owned subsidiary Startec Operating.

Allied (Transferee)

Allied has never applied for or received authority under section **214** of the Communications Act of **1934**, as amended. **47 U.S.C. § 214**. Allied has **also** neither sought nor received a cable landing license pursuant to **sections 34-39** of the Cable Landing License Act. **47 U.S.C. §§ 34-39**.

- (e) No response required.
- (f) No response required.
- (g) No response required.
- (h) Under the **Plan**, only Allied will directly or indirectly own 10% or more of the equity of **Startec**, and no officer or director of the reorganized **Startec** will **also** be an officer or director of a foreign carrier.

No person or **entity** directly or indirectly owns 10% or more of the equity of Allied, and no officer or director of **Allied** is **also an officer** or **director** of a foreign carrier.

- (i) The foreign affiliations of **Startec** and its subsidiaries will not change as a result of the assignment, pursuant to the **Plan**, of the international **section 214** authorizations and minority interests in **cable landing** licenses **from** **Startec** and **Startec Operating** as debtors-in-possession to the reorganized **Startec Operating**. A current list of **Startec's** foreign affiliations is provided as Attachment B to this application.

Allied is not a foreign carrier. Allied and its wholly owned subsidiary, High Tension Wireless LLC, hold an approximately **85%** ownership interest in Acme Paging LP, a limited partnership that is comprised of a number of partners, including Allied and High Tension Wireless LLC. High Tension Wireless LLC is also the general partner of Acme Paging LP.

Acme Paging LP has a number of indirect subsidiaries that hold licenses in various South American countries.

- Conectel Telecomunicaciones S.A., a subsidiary of Acme **Paging LP**, holds a paging license (**SAP** license) issued by the **Secretaria de Comunicaciones** to operate on the frequencies **931.2375 MHz** and **931.4875 MHz** in Argentina.
- Conectel Telecomunicaciones S.A., a subsidiary of Acme Paging LP, holds a data/text transmission license (**TXDAT** license) issued by the **Secretaria de Comunicaciones** to operate on the frequency **481.2875 MHz** in Argentina.

- 9 Radiofon de Columbia Ltda., a subsidiary of Acme Paging LP, holds a nationwide paging license issued by the Ministry of Communications to operate on the frequency **931.8875 MHz** in Colombia (Concession No. **6896**).
- Maxtel S.A., a subsidiary of Acme Paging LP, holds a nationwide paging license issued by the Ministry of Communications to operate on the frequency **445.525 MHz** in Colombia (Concession No. **7489**).
- Promptel Comunicações S/A holds a nationwide restricted Special **Paging Service (SER)** license **issued** by ANATEL, the regulatory body responsible for issuing communications licenses, to operate in the **931 MHz** frequency band in Brazil.
- 9 Alfa Radiochamada S/A holds a Special Paging Service (**SER**) license issued by ANATEL, the regulatory body responsible for **issuing** communications licenses, to operate in the **931 MHz** frequency band in the metropolitan areas of **São** Paulo City, Brazil; Rio de Janeiro City, Brazil; **Belo Horizonte**, Brazil; Brasília, Brazil; Porto **Alegre**, Brazil; Curitiba, Brazil; Salvador, Brazil; Recife, Brazil; and **Fortaleza**, Brazil.
- 9 Peigim Comunicações e Serviços Ltda holds a Special Paging Service (SER) license issued by ANATEL, the regulatory body responsible for **issuing** communications licenses, to operate in the **931 MHz** frequency band in the metropolitan areas of **São** Paulo Capital, Brazil.

Acme Paging LP **owns** approximately **85%** of the outstanding **equity** of Universal Network Technology S/A, a **Brazilian** entity. Universal Network Technology S/A **does** not hold any of its own licenses in Brazil, but has signed agreements with **both** Coopernet and ACSP pursuant to which Universal Network Technology renders services to end-users through the licenses held by Coopernet and ACSP.

- Coopernet, a **data** transmission national cooperative (non-for-profit organization), holds a Private Mobile Limited Service (SLMP) license issued by ANATEL, the regulatory body responsible for issuing communications licenses, to operate in the **896 – 901 MHz/935 – 940 MHz** frequency bands in the metropolitan area of **São** Paulo, Brazil; Rio de Janeiro, Brazil; and Curitiba, Brazil.
- 9 ACSP, a **São** Paulo Commercial Association (non-for-profit organization), holds a Private Mobile Limited Service (SLMP) license Issued by ANATEL, the regulatory body responsible for issuing

communications licenses, to operate in the 896 – 901 MHz/935 – 940 MHz frequency bands in the metropolitan **area of São Paulo, Brazil.**

Allied and Startec certify to the information in this paragraph.

- (j) Allied seeks authority for the reorganized Startec Operating to continue to provide international telecommunications services to all of the countries for which Startec and Startec Operating **are** currently authorized (which includes **all** of the countries in which S m e c has a foreign affiliate). (A current list of Startec's foreign affiliations is provided as Attachment B to this application.)

As noted above, Allied is not a foreign carrier, and its only affiliations with foreign carriers will **be** those of the reorganized **Startec** entities (**see** Anachment B) and those disclosed in section (i) above.

Allied and Startec certify to this information.

- (k) All of the countries in which Startec and Allied control foreign carriers **are** Members of the World Trade Organization, **as** set forth in **47 C.F.R. § 63.18(k)(1)**.
- (l) Each of Startec's and Allied's foreign affiliates lacks **50** percent market share in the international transport and the local access markets on the foreign end of the route, **as** set forth io **47 C.F.R. § 63.10(a)(3)**. They therefore qualify for non-dominant treatment **on all** international routes.
- (m) Each of Startec's and Allied's foreign affiliates lacks **50** percent market share in the international transport and the local access markets on the foreign end of the route, **as** set forth in **47 C.F.R. § 63.10(a)(3)**. They therefore qualify for non-dominant classification on all international routes.
- (n) Neither Startec nor Startec Operating, **as** a debtor-in-possession, has agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any **U.S.** international **route** where the foreign carrier possesses market power **on** the foreign end of the route, and neither entity, once reorganized, will enter into such agreements in the future.

Neither **Allied** nor any of its **affiliates** has *agreed* to accept **special** concessions directly or indirectly from any foreign carrier with respect to any **U.S.** international **route** where the foreign carrier possesses market power **on** the foreign end of the route and will not enter into such agreements in *the* future.

- (o) Startec certifies that to the best of its knowledge no party to this application is subject to a denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Allied certifies that to the best of its knowledge no party to this application is subject to a denial of federal ~~benefits~~ pursuant to section **5301** of the Anti-Drug Abuse ~~Act~~ of 1988.

- (p) The applicants **state** that this application qualifies for streamlined processing pursuant to sections 1.767(k) and 63.12 of the Commission's rules, 47 C.F.R. §§ 1.767(k), 63.12. Allied **has** no affiliations with foreign carriers that **possess** market power in their destination ~~markets~~, and, **as** the Commission has determined previously, ~~Startec's~~ foreign carrier ~~affiliates~~ also lack market power in their respective destination markets, **as** set forth in section 63.12(c)(1)(i)-(iii) of the Commission's rules. 47 **C.F.R. § 63.12(c)(1)(i)-(iii)**.

Respectfully submitted,

ALLIED CAPITAL CORPORATION



Scott Bloder
Managing Director

STARTEC GLOBAL COMMUNICATIONS CORPORATION



Ram Mukunda
Presidentf CEO, Treasurer

STARTEC GLOBAL OPERATING COMPANY



Ram Mukunda
President, Treasurer

STARTEC GLOBAL LICENSING COMPANY



Ram Mukunda
President, Treasurer

Dated: September 23,2002

Attachment A

TRANSFER OF CONTROL OF BLANKET DOMESTIC SECTION 214 AUTHORITY

Additional Information Required by Section 63.04(a)(6)-(12)

(6) *Description of the Transaction.* Under the terms of the Debtors' Joint Plan of Reorganization, as amended ("the Plan")¹ filed with the Bankruptcy Court on September 11, 2002, Startec Global Communications Corporation ("Startec") and its wholly owned subsidiary Startec Global Licensing Company ("Startec Licensing") will be reorganized as new Delaware corporations, with the reorganized Startec Licensing continuing to be a wholly owned subsidiary of Startec. The reorganized Startec Licensing will provide all intrastate and interstate domestic services and will hold the licenses and authorizations required for those services (including the blanket domestic section 214 authority granted under section 63.01 of the Commission's rules. 47 C.F.R. § 63.01).

The reorganized Startec will be controlled by Allied Capital Corporation ("Allied"), a publicly owned Maryland corporation that provides private investment capital (in the form of both debt and equity securities) to private and undervalued public companies. Allied will own 90% (or 72% when fully diluted) of the new shares of Startec common stock, as well as 100% of its voting new preferred stock. The new preferred stock will also have the right to vote separately on certain corporate actions, including the creation of new classes of preferred stock or changes in the preferred stock's rights, mergers or consolidations, the sale of all or substantially all of Startec's assets, and liquidation or dissolution. With its substantial majority of common stock and its 100% interest in the reorganized Startec's preferred stock, Allied also will be able to control the outcome of actions requiring shareholder approval, including the election of directors. Furthermore, because Allied will be able to appoint a majority of the directors of the reorganized Startec, it will also control the management of all of Startec's subsidiaries, including the reorganized Startec Licensing.

(7) *Description of Domestic Services by Geographic Area.* With its Dial-1 and 10-10-719 dial-around services, Startec offers domestic long distance services to residential customers nation-wide. However, Startec's domestic long distance customers tend to be concentrated in major metropolitan areas on the east and west coasts of the United States. Startec also provides its long distance services primarily to small and medium-sized ethnic enterprises, as well as to mid-sized business customers, often in conjunction with dial-up Internet access, domestic and international private line services, and other products.

¹ A copy of the Plan is attached hereto. The Plan must be approved by the creditors of Startec, Startec Operating, and Startec Licensing.

² If the general unsecured creditors and the holders of pre-petition notes do not vote in favor of the plan, all or a part of the 7.5% originally allocated to them will be shared, instead, by Allied and NTFC. Thus, under either alternative, Allied will hold at least a 90% controlling interest in the reorganized Startec.

(8) *Qualification for Streamlined Processing.* Since Allied, the transferee, is not a telecommunications provider, the application for transfer of control qualifies for streamlined treatment pursuant to Section 63.03(b)(ii) of the Commission's rules, § 63.03(b)(ii).

(9) *Other Applications Related to the Transaction.* On behalf of its wholly owned subsidiary PCI Communications Inc. ("PCI"), a Guam corporation, Startec (together with Allied) is filing a companion application for the transfer of control to Allied of PCI's domestic and international section 214 authorizations, as well as its minority interests in certain cable landing licenses.

(10) *Special Circumstances.* Approval of the proposed transaction is central to the emergence of Startec and its subsidiaries from bankruptcy and, thus, to their ability to continue serving their customers. This also comports with the Commission's goal of "accommodat[ing] the policies of federal bankruptcy law with those of the Communications Act."² For this reason, the applicants have requested streamlined processing of the application and respectfully ask that the Commission approve it as soon as possible.

(11) *Waiver Requests.* Startec and Allied have not filed any waiver requests with respect to the proposed transaction.

(12) *Public Interest Statement.* Startec believes that the Commission's approval of the assignments and transfers of control required under the Plan, and as set forth in the present application, will give Startec and Startec Licensing the best opportunity to continue providing domestic intrastate and interstate services to a growing customer base in the United States. Addressing the needs of select ethnic and linguistic communities, in particular, by providing long distance, Internet access, and data services, Startec and its subsidiary Startec Licensing play a vital role in an important niche market. For these reasons, the applicants respectfully submit that approval of this application is consistent with the public interest, convenience, and necessity, as required by section 63.18 of the Commission's rules, 47 C.F.R. § 63.18. Additionally, given the need to secure the Commission's approval of this application prior to consummation of the Plan (once approved), the applicants request that the Commission act as expeditiously as possible in reviewing and approving the requested assignments and transfers of control.

³ *LaRose v. FCC*, 494 F.2d 1145, 1146 (D.C. Cir. 1974).

Attachment B

Foreign Affiliations of the Reorganized Startec and Its Subsidiaries

<u>Company</u>	<u>License(s) Held</u>
Startec Global Communications U.K. Ltd. (wholly owned Startec subsidiary)	Authorized to off services in/through 1. (U.K.) International Facilities License 2. (Ireland) General Telecommunications License 3. (Austria) License for the provision of voice telephone by self-operated telecommunications network 4. (Australia) License not required 5. (New Zealand) Registered as an operator under the Telecommunications (International Services) Regulations 1994
Startec Global Communications (Switzerland) GmbH	Registered for the Supply of Telecommunications Services
Phone Systems & Network, S.A. (92% ownership interest)	Voice Telephony License (Section 34.1 of Post and Telecommunications Code)
Stanec Global Communications GmbH (Germany)	Class 4 (Nationwide) License
Startec Global Communications Company (Canada) (wholly owned indirect Startec subsidiary)	Class A License -- Section 16.3
Vancouver Telephone Company Limited (Canada) (wholly owned indirect Startec subsidiary)	Class A License -- Section 16.3

With the exception of Phone Systems & Network, S.A.. and **Startec** Global Communications GmbH, the subsidiaries listed above were created **by** Startec within the past four years for the purpose of offering telecommunications services in the specified countries. None of these

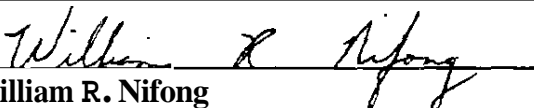
entities is dominant in the *foreign* markets they serve, as defined by section 63.10 of the Commission's rules, 47 C.F.R. § 63.10.

CERTIFICATE OF SERVICE

I, **William R. Nifong**, hereby certify that on this **25th** day of September, 2002, copies of the foregoing application were delivered by hand, unless otherwise indicated, to the following parties:

Donald Abelson , Chief International Bureau Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554	Jim Ball, Chief Policy Division International Bureau Federal Communications Commission 445 12th street, S.W. Washington, DC 20554
Claudia Fox , Deputy Chief Policy Division International Bureau Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554	George S. Li, Deputy Chief
susan O'Connell Policy Division International Bureau Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554	
William Dever, Assistant Division Chief Competition Policy Division Wireline Competition Bureau 445 12th Street, S.W. Washington, DC 20554	Tracey Wilson Washington, DC 20554
Steven W. Lett * Int'l Communications & Information Policy Bureau of Economic & Business Affairs U.S. Department of State 2201 C Street , N.W. Washington, DC 20520	Damon Wells* Int'l Communications & Information Policy Bureau of Economic & Business <i>Affairs</i> U.S. Department of State 2201 C Street, N.W. Washington, DC 20520
Paul R. Schwedler* Defense Information Systems Agency 701 S. Courthouse Road Arlington, VA 22204	Ronald D. Lee, General Counsel* National Security Agency 9800 Savage Road , Suite 6250 Fort Mead, MD 20755-6000
Gordon R. England, Secretary of the Navy* Office of the Secretary The Pentagon 1000 Navy Pentagon Washington, DC 20350	Josephine Scarlett* Office of Chief Counsel U.S. Department of Commerce/NTIA 14th Street & Constitution Avenue, N.W. Room 4713 Washington, DC 20230

Qualex International Federal Communications Commission 445 12th Street, S.W., Room CY-B402 Washington, DC 10554	
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William R. Nifong

* Delivered by First-class United States mail, postage pre-paid.

WILMER, CUTLER & PICKERING

2445 M STREET, N.W.

WASHINGTON, DC 20037-1420

TELEPHONE (202) 663-6000

FACSIMILE (202) 663-6363

WWW.WILMER.COM

Date: November 7, 2002

For: Tracey Wilson

Facsimile Number: 202-418-1413

Company: FCC, Wireline Competitio
Bureau

Main Number:

From: Will Nifong, Wilmer, Cutler & Pickering

COMMENTS:

Dear Tracey:

Here is the Startec application filed on September 25, 2002. As we discussed, it was a joint domestic-international application, similar to that filed on behalf of Startec's subsidiary PCI. The only part of the application that I have not faxed you is the lengthy Proposed Plan of Reorganization, which was provided as an attachment to the application. However, this is identical to the Plan attached to the PCI application, which you already have.

Subsequent to the filing of the application, we have submitted 3 additional fees to cover the international aspects of the application (for a total of 4 IB fees (code CUT)). The IB attributed one of the 2 fees paid with the original application to the domestic transfer of control request.

If you have any additional questions, or if there is anything else we can do to expedite the public notice, please don't hesitate to contact me.

Many thanks,
Will Nifong

We are beginning to send a communication of 23 pages (including this cover sheet). If transmission is interrupted or of poor quality, please notify us immediately by telephone at (202) 663-6712.

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. If the reader of this message is not the intended recipient or the employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone (collect), and return the original message to us at the above address by post. Thank You.

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WILLIAM NIFONG
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WNIFONG@WILMER.COM

FCC/MELLON

SEP 25 2002

September 25, 2002

VIA HAND DELIVERYFederal Communications Commission
International Bureau
P.O. Box 358115
Pittsburgh, PA 15251-5115ATTN: Ms. Susan O'Connell, Esq.
Policy Division

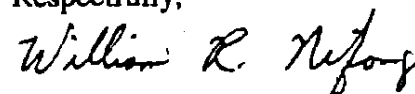
Re: Startec Global Communications Corporation et al., and Allied Capital Corporation — Application To Assign, and To Transfer Control of Entities Holding, International Section 214 Authorizations, Interests in Cable Landing Licenses, and Domestic Section 214 Authority Pursuant to Debtors' Joint Plan of Reorganization, As Amended

Dear Ms. O'Connell:

On behalf of Startec Global Communications Corporation, debtor-in-possession ("Startec"), and Allied Capital Corporation ("Allied"), enclosed for filing are an original and five (5) copies of the above-referenced application.

Also enclosed are: (1) an FCC Form 159; and (2) a check in the amount of \$1,720.00 to cover the required processing fees for the international and domestic approvals requested in this joint application. Should you have any questions regarding Startec or its subsidiaries, please contact the undersigned at (202) 663-6269; for information concerning Allied, please contact Jason Eig, Esq., of Dickstein Shapiro Morin & Oshinsky LLP at (202) 833-5008.

Respectfully,



William R. Nifong

Enclosures

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Date: November 1, 2002

For: Tracey Wilson

Facsimile Number: 202-418-1413

Company: FCC, Wireline Competition
Bureau

Main Number: 202-418-1394

From: Will Nifong, Wilmer, Cutler & Pickering (202-663-6269)

COMMENTS:

Dear Ms. Wilson,

Thank you for your message. As requested, I am faxing you the cover letter for the PCI Communications, Inc. application, as stamped by Mellon Bank on September 25, 2002.

Just in case you need it, I have also faxed the stamped cover page for the application filed the same day by Startec Global Communications Corp. on behalf of another subsidiary, Startec Global Licensing Company.

If you need anything further, please don't hesitate to call.

Sincerely,
Will Nifong

We are beginning to send a communication of 3 pages (including this cover sheet). If transmission is interrupted or of poor quality, please notify us immediately by telephone at (202) 663-6712.

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FCC/RECORD

SEP 25 2002

September 25, 2002

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VIA HAND DELIVERY

Federal Communications Commission
International Bureau
P.O.Box 358115
Pittsburgh, PA 15251-5115

ATTN: Ms. Susan O'Connell, Esq.
Policy Division

Re: PCI Communications, Inc., et al. — Application To Transfer Control of an
Entity Holding International Section 214 Authorizations, Interests in Cable
Landing Licenses, and Domestic Section 214 Authority

Dear Ms. O'Connell:

On behalf of Startec Global Communications Corporation ("Startec"), debtor-in-possession and parent corporation of PCI Communications, Inc. ("PCI"), and Allied Capital Corporation ("Allied"), enclosed for filing are an original and five (5) copies of the above-referenced application.

Also enclosed are: (1) an FCC Form 159; and (2) a check in the amount of \$1,720.00 to cover the required processing fees for the international and domestic approvals requested in this joint application. Should you have any questions regarding PCI or Startec, please contact the undersigned at (202) 663-6269; for information concerning Allied, please contact Jason Eig, Esq., of Dickstein Shapiro Morin & Oshinsky LLP at (202) 833-5008.

Respectfully,

William R. Nifong

William R. Nifong

Enclosures

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SEP 25 2002

September 25, 2002

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VIA HAND DELIVERY

Federal Communications Commission
International Bureau
P.O. Box 358115
Pittsburgh, PA 15251-5115

**ATTN: Ms. Susan O'Connell, Esq.
Policy Division**

**Re: PCI Communications, Inc., et al. — Application To Transfer Control of an
Entity Holding International Section 214 Authorizations, Interests in Cable
Landing Licenses, and Domestic Section 214 Authority**

Dear Ms. O'Connell:

On behalf of Startec Global Communications Corporation ("Startec"), debtor-in-possession and parent corporation of PCI Communications, Inc. ("PCT"), and Allied Capital Corporation ("Allied"), enclosed for filing are an original and five (5) copies of the above-referenced application.

Also enclosed are: (1) an FCC Form 159; and (2) a check in the amount of \$1,720.00 to cover the required processing fees for the international and domestic approvals requested in this joint application. Should you have any questions regarding PCI or Startec, please contact the undersigned at (202) 663-6269; for information concerning Allied, please contact Jason Eig, Esq., of Dickstein Shapiro Morin & Oshinsky LLP at (202) 833-5008.

Respectfully,

William R. Nifong

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